#### **REMARKS**

#### Status of the Claims

Claims 1-31 are pending in this application and have been rejected.

Claims 1, 4, 6, 12, 13, 14, 15, 16, 23, and 31 have been amended. Support for these amendments can be found throughout the specification, claims, and drawings, as originally filed.

### Rejection of Claims Under 35 U.S.C. § 102(e)

The Patent Office has rejected claims 1, 4, 6 - 11, 14, 17 - 18, 20, 23 - 27 under 35 U.S.C. § 102(e) as being anticipated by Allen. Further, the Patent Office has rejected Claim 1 stating the terms "total choice and total control" constitutes non-functional language. Applicant submits that Allen is distinguishable from the present invention on several grounds and Allen is not capable of accomplishing the same purpose and functions as Applicant's invention. Nonetheless, in order to expedite prosecution, Applicant has amended independent Claim 1 to recite:

- Claim 1. A method of delivering media to consumers comprising the steps of:
- (a) providing media consumers with <u>real-time</u>, <u>fully-controllable media</u> streams on a personal media device by transmitting a request from the personal media device over a network to a server, and then automatically supplying a stream of media related to the request to the personal media device;
- (b) profiling consumers in real-time and automatically storing profiled data in a data warehouse as said request from the personal media device is transmitted, providing continuous feedback to media suppliers and advertisers, the continuous feedback including information as to consumer behavior and interest related to the media being provided to the consumers;
- (c) providing media suppliers with a targeting system that directs messages or media products to, and provides reporting on, a particular consumer group, the targeting system being operable to introduce, in real-time, supplier-selected media to targeted consumers through the server and on to the personal media device, consumer response data is automatically collected and sent back to the server and then on to the media suppliers, media suppliers review said data to ascertain in real-time how the

consumer group reacted to the selected media and thereby identify markets for the media; and

(d) providing media suppliers with operational efficiency through <u>use of</u> the targeting system.

Allen does not teach or disclose a method of delivering media to consumers as recited in the amended Claim 1. Accordingly, Claim 1, and the claims dependent on claim 1, is believed to be in allowable order and such action is respectfully requested.

Dependant claims 4, 6, 12 – 16, and 18 have been amended to further clarify the present invention and to more clearly read in view of the changes to independent claim 1. Currently, Applicant submits all the claims dependent on claim 1, are distinguishable from Allen, and hence allowable. Applicant hereby requests reconsideration of said rejection and an allowance of the present claims.

Independent claim 23 too has been rejected under 35 U.S.C §102(e) in view of Allen. Claim 23 has been amended in order to clarify the invention and to overcome the concerns raised by the Examiner.

Claim 23. A method of making media accessible to consumers on a personal media device comprising the steps of:

<u>providing</u> media consumers <u>with on-demand streaming media over the internet to</u> <u>a personal media device</u>;

automatically profiling the media consumer by automatically storing profiled data, said profiled data is manipulated and reported to media suppliers on a real-time basis to provide instant feedback to media suppliers on consumers' reactions to said streaming media;

providing media suppliers with a targeting system that directs messages or products to, and provides reporting on, a particular consumer group, the targeting system including a media partner submitting media over a network to a management server, the media being directed through a database where it communicates with a personal media services server, and then directs the media through a network where it

is played for the consumer on the personal media device, indicia about the media consumer's response to said media is then transmitted back to the media supplier.

Claim 23, as amended, is distinguishable from Allen and therefore overcomes this prior art of record. Allen simply does not teach each of these structural limitations of the method of making media accessible to consumers as now cited in claim 23. Therefore, Applicant submits claim 23, is allowable, and such action is courteously requested.

The Patent Office also rejected independent claim 24 under 35 U.S.C. § 102(e) in view of Allen. Applicant disagrees as Allen clearly does not teach a media system with the server system, a database for each management server, a personal media services server, a data warehouse, a tracking database, an interface between personal media services server and personal media device, as recited in originally filed independent claim 24. As such, Allen does not stand as a proper 102 reference to preclude allowance of claim 24. Applicant directs the Examiner's attention to its Figure 3 which illustrates each of these elements in Applicant's media system as originally cited in claim 24. Thus, there is proper support for the structural limitations as claimed in claim 24. However, Allen does not disclose each of these recited features.

Accordingly, Applicant requests the Examiner to withdraw the rejection of claim 24, as Allen does not teach each of the recited elements.

Applicant submits dependent claims 25 – 30, likewise are allowable in view of their dependency on what is now viewed to be an allowable claim. Accordingly, approval of said claims hereby respectively requested.

## Rejection of Claims Under 35 U.S.C. § 103

Claims 28 - 31 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Allen in view of Hewitt et al. Claims 28 - 30 depend upon claim 24, which is believed to be allowable. Thus the Section 103 rejections for claims 28 - 30 are believed to be moot. Further, The Applicant respectfully traverses the 35 U.S.C. § 103(a) rejection of claims 28-31.

The standard for obviousness is that there must be some suggestion, either in the reference or in the relevant art, of how to modify what is disclosed to arrive at the claimed invention. In addition, "[s]omething in the prior art as a whole must suggest the desirability and, thus, the obviousness, of making" the modification to the art suggested by the Examiner. Uniroyal, Inc. v. Rudkin-Wiley Corp., 837 F.2d 1044, 1051, 5 U.S.P.Q.2d (BNA) 1434, 1438 (Fed. Cir.), cert. denied, 488 U.S. 825 (1988). Although the Examiner may suggest the teachings of a primary reference could be modified to arrive at the claimed subject matter, the modification is not obvious unless the prior art also suggests the desirability of such modification. In re Laskowski, 871 F.2d 115, 117, 10 U.S.P.Q.2d (BNA) 1397, 1398 (Fed. Cir.1989). There must be a teaching in the prior art for the proposed combination or modification to be proper. In re Newell, 891 F.2d 899, 13 U.S.P.Q.2d (BNA) 1248 (Fed. Cir. 1989). If the prior art fails to provide this necessary teaching, suggestion, or incentive supporting the Examiner's suggested modification, the rejection based upon this suggested modification is error and must be reversed. In re Bond, 910 F.2d 831, 15 U.S.P.Q.2d (BNA) 1566 (Fed. Cir. 1990).

Independent claim 31 has been amended to recite the following structural limitations that are not present in either Hewitt or Allen.

Claim 31. A media system that allows a consumer to <u>select desired media and</u> to have it delivered on a real-time basis comprising;

a data center containing product databases, tracking and subscriber databases, and a data warehouse for storing media;

a supplier system for maintaining the product databases, the supplier system including management servers that are operable to introduce new media on a real-time basis into the media system and be directed to consumers interested in one or more aspects of that media;

a consumer media device that is operable to exchange data from the data center by interacting with the product databases trough a personal media services server, whereby consumers providing behavioral and preferential feedback to the tracking and subscriber databases which in turn updates the data warehouses; and

a targeting and reporting function for providing information to the supplier system.

Figure 3 of the Applicant's invention discloses the media system as recited under claim 31. The supplier system includes a variety of management service, for example items 48, 52, 56, and 60 of Applicant's invention. The present invention allows suppliers to introduce new media on a real-time basis into the media system and to be directed towards specific customers who may be interested in certain types of media. Such can be done on a real-time basis thus allowing suppliers of media prompt feedback as to the consumer's reactions to the supplied media such as music. Neither Allen nor Hewitt teach or suggest such a media system. Therefore, Applicant submits claim 31, is allowable and respectfully requests such action.

Applicant submits that there is no suggestion, either in the reference or in the relevant art, of how to modify what is disclosed to arrive at the claimed invention. "Something in the prior art as a whole must suggest the desirability and, thus, the obviousness, of making" the modification to the art suggested by the Examiner. We have no such suggestion here to combine these references.

# CONCLUSION

It is respectfully submitted that in view of the above amendments and remarks the claims 1-31, as amended, are patentably distinguishable because the cited patents, whether taken alone or in combination, do not teach, suggest or render obvious, the present invention. Therefore, Applicant submits that the pending claims are properly allowable, which allowance is respectfully requested.

The Examiner is invited to telephone the Applicant's undersigned attorney at (248) 364-4300 in order to resolve any remaining matters.

Respectfully submitted,

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Dated: /////04